

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

IN RE:

**SHOOK & FLETCHER
INSULATION CO.,**

Debtor.

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**Case No. 02-02771-BGC-11
Chapter 11**

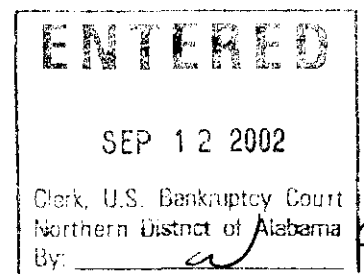
**STIPULATION AS TO EFFECT OF
ORDER APPROVING DISCLOSURE STATEMENT**

St. Paul Fire and Marine Insurance Company ("**St. Paul**") and the Debtor, by and through their undersigned counsel, hereby stipulate as follows:

1. The Order Approving Disclosure Statement entered by the Court on September 11, 2002 incorrectly characterizes St. Paul's Objections (Proceeding No. 229) ("**St. Paul's Objection**") as resolved and withdrawn.

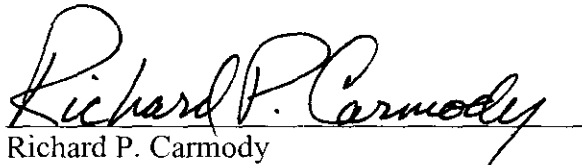
2. The Debtor and St. Paul had previously agreed that, unless and until their dispute had been resolved through a final order approving any settlement and compromise reached, the portion of St. Paul's Objections relating to the adequacy of disclosure and the adequacy of the notice procedures would be withdrawn, but the remainder of St. Paul's Objections would remain pending. The parties stipulate herein that, based on that agreement, St. Paul's Objections (Proceeding No. 229) remain valid and pending, except as to any Objections pertaining solely to the adequacy of the Debtor's Disclosure Statement or notice procedures.

3. The parties agree that this Stipulation will be submitted to the Court for its approval.

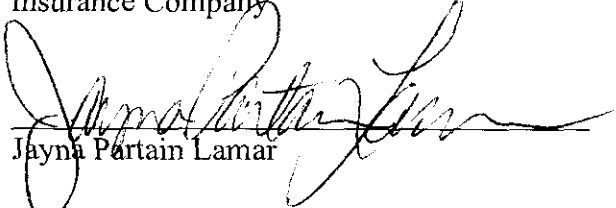


Executed in Birmingham, Alabama this 12th day of September 2002.

Attorneys for Debtor


Richard P. Carmody

Attorneys for St. Paul Fire and Marine
Insurance Company


Jayna Partain Lamar

SO ORDERED this 12th day of September 2002.


BENJAMIN COHEN
United States Bankruptcy Judge